

WELDON B. STUTZMAN
DEPUTY ATTORNEY GENERAL
IDAHO PUBLIC UTILITIES COMMISSION
PO BOX 83720
BOISE, IDAHO 83720-0074
(208) 334-0318
IDAHO BAR NO. 3283

RECEIVED
2013 JUL 24 PM 12:01
IDAHO PUBLIC
UTILITIES COMMISSION

Street Address for Express Mail:
472 W WASHINGTON
BOISE ID 83702-5918

Attorney for the Commission Staff

BEFORE THE IDAHO PUBLIC UTILITIES COMMISSION

IN THE MATTER OF THE JOINT)	
PETITION OF QWEST CORPORATION DBA)	CASE NOS. QWE-T-13-03
CENTURYLINK QC, CENTURYTEL OF)	CEN-T-13-03
IDAHO, INC. DBA CENTURYLINK AND)	CGS-T-13-03
CENTURYTEL OF THE GEM STATE, INC. DBA))	
CENTURYLINK FOR PARTIAL WAIVER OF)	COMMENTS OF THE
THE REQUIREMENTS OF IPUC ORDER NO.)	COMMISSION STAFF
20841.)	

COMES NOW the Staff of the Idaho Public Utilities Commission, by and through its Attorney of record, Weldon B. Stutzman, Deputy Attorney General, and in response to the Notice of Application and Notice of Modified Procedure issued in Order No. 32844 on July 3, 2013, submits the following comments.

BACKGROUND

On June 7, 2013, the Commission received a Joint Petition from Qwest Corporation dba CenturyLink QC; CenturyTel of Idaho, Inc. dba CenturyLink; and CenturyTel of the Gem State, Inc. dba CenturyLink (collectively "CenturyLink") for Partial Waiver of the requirements of Commission Order No. 29841. Specifically, CenturyLink requests a waiver of the requirement that it file a two-year network improvement plan in connection with the annual eligible telecommunications carrier ("ETC") recertification report due to the Commission on September

1, 2013. CenturyLink asserts it makes this request as a result of recent actions by the Federal Communications Commission (FCC).

CenturyLink explains that in 2005, the FCC adopted new ETC designation and reporting requirements as did the Idaho Public Utilities Commission (“Commission”). The FCC is again addressing ETC reporting requirements in light of revisions to 47 C.F.R. § 54.313. These revisions include new broadband service obligations that will be imposed on carriers. Petition at 3. One of the FCC’s requirements is a report on the carrier’s five-year quality improvement plan for those companies receiving funding for broadband services. *Id.* The FCC’s new reporting requirements will require maps detailing progress toward plan targets, an explanation of the amount of universal support received, how it was used, and an explanation of any network improvement targets that have not been met during the year. These reports will require detailed information to be provided at the wire center or census block level. *Id.* The FCC, however, has not completed all the steps necessary to provide a final form for use by ETCs in formulating the new plans. Because the new federal high cost funding aimed specifically at broadband has not been distributed or accepted by the ETCs, CenturyLink contends companies are not in a position to develop specific plans for its use. *Id.* Consequently, the FCC issued an order waiving the five-year plan requirement for 2013. *Id.*

CenturyLink believes the increasingly complex reporting requirements being adopted by the FCC may mean that state-specific reports with separate standards for documenting use of the federal funds no longer fulfill a useful purpose. *Id.* at 3-4. CenturyLink therefore seeks a waiver of the two-year plan requirement contained in Order No. 29841 to make the Idaho ETC recertification reports for 2013 conform to FCC requirements.

With Order No. 32844, the Commission determined that it was appropriate to consider whether the waiver requested by CenturyLink, if approved by the Commission, should apply to all ETCs and thus issued a Notice of Application and Notice of Modified Procedure seeking comments from interested parties.

STAFF REVIEW

Staff reviewed CenturyLinks’ Applications as well as related FCC documents, including the recent DA 13-1348 *In the Matter of Connect America Fund* (released on June 10, 2013) that addresses the 2013 reporting requirements under sections 54.202(a)(1)(ii) requiring state ETCs to submit a five-year plan that describes with specificity proposed network improvements or

upgrades throughout their proposed service areas. Each applicant must estimate the area and population that will be served as a result of the improvements. Section 54.314 requires that high-cost ETC Certifications be filed on or before October 1 to receive support in the following year.

The rules adopted by the FCC in 2005 applied only to those ETC proceedings before the FCC pursuant to 47 USC § 214(e)(6), but the FCC encouraged state commissions to adopt similar requirements when designating ETCs pursuant to 47 USC § 214(e)(2). In response, the Commission adopted the FCC's new requirements for ETC designation, including ETC annual reports, except the Commission required a two-year plan rather than a five-year plan. *See* Case No. WST-T-05-1, Order No. 29841.

The FCC's rules for ETC annual reporting requirements were modified most recently in the FCC's *Report and Order and Further Notice of Proposed Rulemaking* in FCC 11-161; 26 FCC rcd 17663; 2011 WL 5844975 (released on November 18, 2011) ("*USF/ICC Transformation Order*") and in the *Lifeline and Link Up Reform and Modernization*, 2012 WL 387742 (released on November 6, 2012) ("*Lifeline/Link Up Reform Order*"), as clarified and modified in subsequent FCC orders. In the *USF/ICC Transformation Order*, the FCC adopted several reforms updating annual reporting requirements for ETCs. Specifically, the FCC extended reporting requirements for voice service to all ETCs and adopted new reporting requirements to reflect new broadband obligations. *USF/ICC Transformation Order*, FCC 11-161 at para. 579. In addition to the carriers' ETC reporting requirements, ETCs or the state Commissions must file Certifications on or before October 1 of each year with the FCC and Universal Service Administrative Company ("USAC") for high-cost ETCs to receive USF funding in the following year pursuant to § 54.314(d)(1).

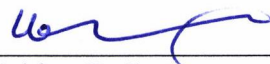
When the FCC revised the ETC reporting requirements it also created Form 481 (Carrier Annual Reporting Data Collection Form). Before this form can be used, however, it must receive approval from the Office of Management and Budget and the FCC is still awaiting OMB approval. Upon OMB approval, the FCC will release a Public Notice announcing the new deadlines for ETCs to submit their annual reports, as well as the deadline for states or ETCs to file their section 54.313 certifications. *See* DA 13-1348 at para.4. ETCs that receive both high-cost and Lifeline support may satisfy both the high-cost reporting obligations under section 54.313 and the Lifeline reporting requirements under section 54.422(a) of the FCC rules in the same filing. *Id.*

The FCC, on its own motion, granted a limited waiver of the October 1 deadline set out in section 54.314(d)(1). The FCC granted an extension of 60 days from the revised annual report deadline to file the certification pursuant to section 54.314, to give states sufficient time to review those ETCs' reports before submitting their required certifications. *Id.* at para. 6.

STAFF RECOMMENDATION

Given the new, specific FCC reporting requirements for ETCs, Staff believes the Commission's requirement that ETCs file a two-year network improvement plan is redundant and is no longer useful. Staff recommends the Commission approve CenturyLink's Petition to waive the requirement for the two-year network improvement plan set forth in Order No. 29841 for 2013, and extend the waiver to all ETCs. Beginning in 2014, Staff recommends the Commission modify its reporting requirement in Order No. 29841 from a two- to the five-year plan to conform to the FCC's revised reporting requirements.

Respectfully submitted this 24th day of July 2013.



Weldon B. Stutzman
Deputy Attorney General

Technical Staff: Grace Seaman

i:umisc:comments/qwet13.3_cent13.3_cgst13.3wsgs comments

CERTIFICATE OF SERVICE

I HEREBY CERTIFY THAT I HAVE THIS 24TH DAY OF JULY 2013,
SERVED THE FOREGOING **COMMENTS OF THE COMMISSION STAFF**, IN
CASE NOS. QWE-T-13-03/ CEN-T-13-03/ CGS-T-13-03, BY MAILING A COPY
THEREOF, POSTAGE PREPAID, TO THE FOLLOWING:

LISA A ANDERL
QWEST CORP
DBA CENTURYLINK QC
1600 7TH AVE ROOM 1506
SEATTLE WA 98191

MARY S HOBSON
QWEST CORP
DBA CENTURYLINK QC
999 MAIN ST STE 1103
BOISE ID 83702



SECRETARY

CERTIFICATE OF SERVICE